Billing Code:

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 20-74]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense (DoD).

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: Karma Job at karma.d.job.civ@mail.mil or (703) 697-8976.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 20-74 with attached Policy Justification and Sensitivity of Technology.

Dated: December 11, 2020.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.

DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, SUITE 101
ARLINGTON, VA 22202-5408

November 3, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-209, The Capitol
Washington, DC 20515

Dear Madam Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 20-74 concerning the Air Force's proposed Letter(s) of Offer and Acceptance to the Taipei Economic and Cultural Representative Office in the United States (TECRO) for defense articles and services estimated to cost $600 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

Heidi H. Grant
Director

Enclosures:
1. Transmittal
2. Policy Justification
3. Sensitivity of Technology

Transmittal No. 20-74

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Taipei Economic and Cultural Representative Office in the United States (TECRO)

(ii) Total Estimated Value:

Major Defense Equipment*	$153 million
Other	$447 million
TOTAL	$600 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Major Defense Equipment (MDE):
Four (4) Weapons-Ready MQ-9B Remotely Piloted Aircraft
Two (2) Fixed Ground Control Stations
Two (2) Mobile Ground Control Stations
Fourteen (14) Embedded Global Positioning System/Inertial Navigations Systems (EGI) with Selective Availability Anti-Spoofing Module (SAASM) (12 installed, 2 spares)

Non-MDE:

Also included are MX-20 Multi-Spectral Targeting Systems and spares; SeaVue Maritime Multi-Role Patrol Radars; SAGE 750 Electronic Surveillance Measures (ESM) Systems; C-Band Line-of-Sight (LOS) Ground Data Terminals; Ku-Band SATCOM GA-ASI Transportable Earth Stations (GATES); AN/DPX-7 IFF Transponders; Honeywell TPE-331-10GD Turboprop Engines; M6000 UHF/VHF Radios; KIV-77 Mode 5 IFF cryptographic appliques; AN/PYQ-10C Simple Key Loaders; secure communications, cryptographic and Identification Friend or Foe (IFF) equipment; initial spare and repair parts; hard points, power, and data connections for weapons integration; support and test equipment; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistical and program support.

(iv) Military Department: Air Force (TW-D-SAQ)

(v) Prior Related Cases, if any: None

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex

(viii) Date Report Delivered to Congress: **November 3, 2020**

*As defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Taipei Economic and Cultural Representative Office in the United States (TECRO) – MQ-9B Remotely Piloted Aircraft

TECRO has requested to buy four (4) Weapons-Ready MQ-9B Remotely Piloted Aircraft; two (2) Fixed Ground Control Stations; two (2) Mobile Ground Control Stations; and fourteen (14) Embedded Global Positioning System/Inertial Navigations Systems (EGI) with Selective Availability Anti-Spoofing Module (SAASM) (12 installed, 2 spares). Also included are MX-20 Multi-Spectral Targeting Systems and spares; SeaVue Maritime Multi-Role Patrol Radars; SAGE 750 Electronic Surveillance Measures (ESM) Systems; C-Band Line-of-Sight (LOS) Ground Data Terminals; Ku-Band SATCOM GA-ASI Transportable Earth Stations (GATES); AN/DPX-7 IFF Transponders; Honeywell TPE-331-10GD Turboprop Engines; M6000 UHF/VHF Radios; KIV-77 Mode 5 IFF cryptographic appliques; AN/PYQ-10C Simple Key Loaders; secure communications, cryptographic and Identification Friend or Foe (IFF) equipment; initial spare and repair parts; hard points, power, and data connections for weapons integration; support and test equipment; publications and technical documentation; personnel training and training equipment; U.S. Government and contractor engineering, technical, and logistics support services; and other related elements of logistical and program support. The total estimated program cost is $600 million.

This proposed sale is consistent with U.S. law and policy as expressed in Public Law 96-8.

This proposed sale serves U.S. national, economic, and security interests by supporting the recipient's continuing efforts to modernize its armed forces and to maintain a credible defensive capability. The proposed sale will help improve the security of the recipient and assist in maintaining political stability, military balance, economic and progress in the region.

This proposed sale will improve the recipient's capability to meet current and future threats by providing timely Intelligence, Surveillance, and Reconnaissance (ISR), target acquisition, and counter-land, counter-sea, and anti-submarine strike capabilities for its security and defense. The capability is a deterrent to regional threats and will strengthen the recipient's self-defense. The recipient will have no difficulty absorbing these systems into its armed forces.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be General Atomics Aeronautical Systems, Inc., San Diego, CA. The purchaser typically requests offsets. Any offset agreement will be defined in negotiations between the purchaser and the contractor.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the recipient.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 20-74

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The MQ-9B Remotely Piloted Aircraft (RPA) is a weapons-ready aircraft designed for Medium-Altitude Long-Endurance (MALE) Intelligence, Surveillance and Reconnaissance (ISR), Target Acquisition, and Strike Missions. The MQ-9B RPA is not a USAF program of record but has close ties to, and builds upon, the proven success of the MQ-9A Reaper. The MQ-9B is a highly modular, easily configurable aircraft that contains the necessary hard points, power, and data connections to accommodate a variety of payloads and munitions to meet multiple missions -- including counter-land, counter-sea, and anti-submarine strike operations. The system is designed to be controlled by two operators within a Certifiable Ground Control Station (CGCS). The CGCS is designed to emulate a reconnaissance aircraft cockpit, giving users extensive means to operate both the aircraft and sensors. The MQ-9B is able to operate using a direct Line-of-Sight (LOS) datalink or Beyond Line-of-Sight (BLOS) through satellite communications (SATCOM). The MQ-9B system can be deployed from a single site that supports launch/recovery, mission control, and maintenance. The system also supports remote-split operations where launch/recovery and maintenance occur at a Forward Operating Base and mission control is conducted from another location or Main Operating Base (MOB).

2. The Ground Control Station (GCS) can be either fixed or mobile. The fixed GCS is enclosed in a customer-specified shelter. It incorporates workstations that allow operators to control and monitor the aircraft, as well as record and exploit downlinked payload data. The mobile GCS allows operators to perform the same functions and is contained on a mobile trailer. Workstations in either GCS can be tailored to meet customer requirements.

3. The Embedded GPS-INS (EGI) with Selective Availability Anti-Spoofing Module (SAASM) is a self-contained navigation system that provides the following: acceleration, velocity, position, attitude, platform azimuth, magnetic and true heading, altitude, body angular rates, time tags and coordinated universal time (UTC) synchronized time. SAASM enables the GPS receiver access to the encrypted P(Y) signal providing protection against active spoofing attacks.

4. The AN/DPX-7 is an Identification Friend or Foe (IFF) Transponder used to identify and track aircraft, ships, and some ground forces to reduce friendly fire incidents.

5. The MX-20 Multi-Spectral Targeting System is a multi-use highly advanced EO/IR sensor that provides long-range surveillance, high altitude, target acquisition, tracking, range finding, and laser designation for all NATO and tri-service laser guided munitions, enabling precision-strike against a variety of land and maritime targets.

6. SeaVue Maritime Multi-Role Patrol Radar is a synthetic aperture X-band radar that provides small-target maritime detection in high seas, maritime search (including submarine periscopes and semi-submersibles), radar imaging of ocean targets, and weather detection and avoidance.

7. The SAGE 750 Electronic Surveillance Measures (ESM) System is a UK-produced digital electronic intelligence (ELINT) sensor which analyzes the electromagnetic spectrum to map the source of active emissions. Using highly accurate Direction Finding (DF) antennas, SAGE builds target locations and provides situational awareness, advance warning of threats and the ability to cue other sensors.

8. The C-Band Line-of-Sight (LOS) Ground Data Terminals and Ku-Band SATCOM GA-ASI Transportable Earth Stations (GATES) provide command, control, and data acquisition for the MQ-9B.

9. The Honeywell TPE-331-10-GD Turboprop Engine is used in a variety of airborne platforms including the MQ-9B.

10. The M6000 UHF/VHF Radio is a multi-band, portable, two-way communication radio.

11. The KIV-77 Mode 5 crypto applique computer for IFF is Type 1 certified by the National Security Agency and provides information assurance for Mode 5 IFF equipment. The KIV-77 is used to store the classified keys.

12. The AN/APQ-10C Simple Key Loader is a handheld fill device for securely receiving, storing, and transferring data between cryptographic and communications equipment.

13. The highest level of classification of information included in this potential sale is SECRET.

14. If a technologically advanced adversary were to obtain knowledge of the hardware and software elements, the information could be used to develop countermeasures or equivalent systems, which might reduce system effectiveness or be used in the development of a system with similar or advanced capabilities.

15. A determination has been made that the recipient can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

16. All defense articles and services listed in this transmittal have been authorized for release and export to the recipient.

[FR Doc. 2020-27709 Filed: 12/16/2020 8:45 am; Publication Date: 12/17/2020]